

Message Text

UNCLASSIFIED

PAGE 01 MANILA 11567 270953Z POSS DUPE
ACTION COME-00

INFO OCT-01 EB-08 EA-09 ISO-00 XMB-04 /022 W
-----093682 272031Z /65

R 270749Z JUL 77
FM AMEMBASSY MANILA
TO SECSTATE WASHDC 2903

UNCLAS MANILA 11567

PASS TO EXIM

E.O. 11652: N/A
TAGS: EFIN, EMIN, RP
SUBJECT: MAJOR PROJECTS: PHILIPPINE COPPER SMELTER

REFS: A. 76 MANILA 16341 B. 76 MANILA 18492, C. 76 STATE 297595
D. MANILA 11572

1. RECENT REPORTING ON THE PHILIPPINE COOPER SMELTER (REFTEL D) STATES THAT PASAR HAS ADEQUATE PRELIMINARY FINANCIAL OFFERS TO FUND ENTIRE OFFSHORE PROCUREMENT NEEDS OF THE PROJECT. WHILE THIS IS QUITE POSSIBLY TRUE, THE CITED FUNDS SOURCES WILL NOT NECESSARILY BE USED TO SOURCE U.S. MACHINERY AND EQUIPMENT.

2. REPEATED CONTACT OVER THE PAST TWO YEARS WITH PASAR IN-HOUSE ENGINEERS, FORMERLY WITH THE ATLAS CONSOLIDATED COPPER SMELTER PROJECT, LEAD US TO CONCLUDE THAT THEY, AND ARTHUR G. MCKEE, HAVE A NATURAL PROCLIVITY FOR U.S. TECHNOLOGY, MACHINERY, AND EQUIPMENT. IT WOULD BE UNFORTUNATE IF THIS OPPORTUNITY (POTENTIAL SALES OF U.S. DOLS 60-80 MILLION) FOR U.S. SUPPLIERS WERE LOST.

2. WHILE IT IS NOT ENTIRELY CLEAR WHETHER PROCUREMENT DECISIONS WILL BE BASED ON FINANCIAL SOURCING, OR VICE VERSA, IT IS CLEAR THERE WILL BE SOME TYPE OF TRADE-OFF
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BETWEEN THE TWO WITH DECISIONS COMING PERHAPS BY THE END OF THE YEAR. IT IS ALSO CLEAR THAT OTHER COUNTRIES' FINANCING INSTITUTIONS HAVE TAKEN THE LEAD IN EXPRESSING INTEREST IN THE PROJECT. INDEED, OUR SOURCES AT PASAR AND BANCOM STILL BELIEVE THE EXIM HAS NO INTEREST IN THIS PROJECT, OUR PROTESTS TO THE CONTRARY NOTWITHSTANDING.

3. WHILE THERE ARE PRELIMINARY FUNDING OFFERS IN HAND,
ROLAND GAPUD OF BANCOM SAYS THEY STILL INTEND TO PUT
TOGETHER WITHIN A MONTH OR TWO A FINAL FINANCIAL BROCHURE
AND PEDDLE IT TO POTENTIAL SOURCES OF LOANS, EXIM
INCLUDED. WE PRESUME THIS FINAL BROCHURE WILL CONTAIN
THE INFORMATION DESCRIBED BY EXIM IN PARA 2 OF REFTEL C.
WE HOPE THAT EXIM WILL BE ABLE TO EXPRESS SOME INTEREST IN
PROVIDING AT LEAST PART OF THE FUNDING FOR THIS
PROJECT, AT LEAST ENOUGH INTEREST TO ENCOURAGE BANCOM
AND PASAR TO POINT POTENTIAL U.S. SUPPLIERS IN THAT
DIRECTION WITH SOME HOPE FOR SUCCESS.
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Message Attributes

Automatic Decaptioning: X
Capture Date: 01-Jan-1994 12:00:00 am
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: COPPER, MINING INDUSTRY
Control Number: n/a
Copy: SINGLE
Sent Date: 27-Jul-1977 12:00:00 am
Decaption Date: 01-Jan-1960 12:00:00 am
Decaption Note:
Disposition Action: n/a
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment:
Disposition Date: 01-Jan-1960 12:00:00 am
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1977MANILA11567
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Expiration:
Film Number: D770269-0417
Format: TEL
From: MANILA
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1977/newtext/t19770714/aaaaalxw.tel
Line Count: 75
Litigation Code IDs:
Litigation Codes:
Litigation History:
Locator: TEXT ON-LINE, ON MICROFILM
Message ID: eafb8563-c288-dd11-92da-001cc4696bcc
Office: ACTION COME
Original Classification: UNCLASSIFIED
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators: n/a
Previous Classification: n/a
Previous Handling Restrictions: n/a
Reference: 76 MANILA 16341, 76 STATE 297595, 77 MANILA 11572
Retention: 0
Review Action: RELEASED, APPROVED
Review Content Flags:
Review Date: 12-Jan-2005 12:00:00 am
Review Event:
Review Exemptions: n/a
Review Media Identifier:
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
SAS ID: 1735740
Secure: OPEN
Status: NATIVE
Subject: MAJOR PROJECTS: PHILIPPINE COPPER SMELTER
TAGS: EFIN, EMIN, RP
To: STATE
Type: TE
vdkgvwkey: odhc://SAS/SAS.dbo.SAS_Docs/eafb8563-c288-dd11-92da-001cc4696bcc
Review Markings:
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Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 22 May 2009